

AD-A011 216

IDENTIFICATION AND MEASUREMENT OF UNITED  
STATES INTERESTS ABROAD: A QUANTITATIVE  
ANALYSIS OF UNITED STATES STAKES AT THE  
SUBTHEATER LEVEL AND THEIR RELATIVE  
VULNERABILITY TO LOCAL CONFLICT

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Westinghouse Electric Corporation

Prepared for:

Advanced Research Projects Agency

November 1974

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IDENTIFICATION AND MEASUREMENT  
OF U.S. INTERESTS ABROAD

A Quantitative Analysis of U.S. Stakes at the  
Sub-Theater Level and Their Relative  
Vulnerability to Local Conflict

Executive Summary

Contract No. MDA-903-74-C-0223

Advanced Research Projects Agency  
ARPA Order No. 2667  
Program Code 4W10

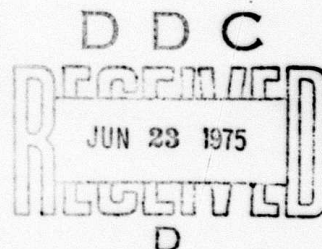
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November 1974



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SECURITY CLASSIFICATION OF THIS PAGE (When Data Entered)

REPORT DOCUMENTATION PAGE		READ INSTRUCTIONS BEFORE COMPLETING FORM
1. REPORT NUMBER	2. GOVT ACCESSION NO.	3. RECIPIENT'S CATALOG NUMBER <b>AD-A011 216</b>
4. TITLE (and Subtitle) <b>Identification and Measurement of U.S. Interest Abroad: A Quantitative Analysis of U.S. Stakes at the Subtheater Level and their Relative Vulnerability to Local Conflict — Executive Summary</b>		5. TYPE OF REPORT & PERIOD COVERED <b>Research Summary Report</b>
7. AUTHOR(s) <b>Jan S. Breemer Peter H. Fenn</b>		6. PERFORMING ORG. REPORT NUMBER
9. PERFORMING ORGANIZATION NAME AND ADDRESS <b>Westinghouse Electric Corporation Center for Advanced Studies and Analyses 6521 Arlington Boulevard, Falls Church, Virginia 22042</b>		8. CONTRACT OR GRANT NUMBER(s) <b>MDA 903-74-C-0223</b>
11. CONTROLLING OFFICE NAME AND ADDRESS <b>Department of Defense, ARPA, 1400 Wilson Blvd., Arlington, Virginia 22209</b>		10. PROGRAM ELEMENT, PROJECT, TASK AREA & WORK UNIT NUMBERS
14. MONITORING AGENCY NAME & ADDRESS (if different from Controlling Office)		12. REPORT DATE <b>November 1974</b>
		13. NUMBER OF PAGES <b>27</b>
		15. SECURITY CLASS. (of this report) <b>UNCLASSIFIED</b>
16. DISTRIBUTION STATEMENT (of this Report)  <b><del>Not approved for public release.</del>    Approved for Public Release</b>		15a. DECLASSIFICATION/DOWNGRADING SCHEDULE
17. DISTRIBUTION STATEMENT (of the abstract entered in Block 20, if different from Report)		<b>DDC</b> <b>DECLASSIFIED</b> <b>JUN 23 1975</b> <b>REGISTERED</b> <b>D</b>
18. SUPPLEMENTARY NOTES		
19. KEY WORDS (Continue on reverse side if necessary and identify by block number) <b>U. S. Interests, U. S. Involvement, U. S. Stakes Abroad, U. S. Visibility Abroad, Conflict-Issue Analysis, Local Conflict, Local Threat Levels, Factor Analysis</b>		
20. ABSTRACT (Continue on reverse side if necessary and identify by block number) <b>This report constitutes a summary version of the Final Technical Report on the study Identification and Measurement of U.S. Interests Abroad. The study has two main objectives: first, to develop a systematic means for rank-ordering foreign countries on the basis of a series of explicit, quantifiable measures of the U.S. interest abroad, and, secondly, to provide a preliminary statement of the relative level of threat that U.S. subtheater interests may be exposed to as the result of local inter-state conflict.</b>		

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ACKNOWLEDGMENT

(U) This document is submitted to the Defense Advanced Research Projects Agency, Arlington, Virginia as the Executive Summary of the study Identification and Measurement of U.S. Interests Abroad performed by the Westinghouse Electric Corporation, Center for Advanced Studies and Analyses under ARPA Order No. 2667, Program Code 4wv10. Companion documents include the Final Technical Report and a Source Documentary Appendix.

(U) The contract was administered by the Defense Contract Administration Services District, Baltimore, Maryland under Contract No. MDA903-74-C-0223, effective March 1, 1974, in the total amount of \$60,500.00.

(U) The Westinghouse CASA study team included:

J. S. Breemer	- Senior Social Scientist and Principal Investigator
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(U) Significant contributions to the study were made by J. R. Brinsley and other members of the CASA staff. Special acknowledgment is due to Dr. J. R. Blaker and Col. R. E. Erickson of the Office of the Assistant Secretary of Defense (Program Analysis and Evaluation), without whose substantive and organizational support this study would not have been possible in its present format.

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(U) Finally, the views and conclusions contained in this document are those of the authors and should not be interpreted as necessarily representing the official policies, either expressed or implied, of the Advanced Research Projects Agency or the U.S. Government.

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## INTRODUCTION

(U) The purpose of the Executive Summary is to provide the reader with concise overview of the various conceptual and methodological purposes and techniques that the CASA study team sought to accomplish in the study Identification and Measurement of U.S. Interests Abroad. Only the main research objectives and findings have been highlighted in order to provide the reader with a general appreciation of the overall thrust of the study's Final Technical Report. Parenthesized page numbers in this Summary refer to pertinent sections in the Final Technical Report. Data sources are documented in the companion volume Source Documentary Appendix.

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## EXECUTIVE SUMMARY

### 1.0 Background and Purpose of the Study

(U) The rational allocation of scarce defense resources, including such factors as man-power levels and deployments, equipment procurement, and R&D funding, is based on a systematic and explicit assessment of potential geographic areas of U.S. military and political involvement. Identification of more or less likely theaters of U.S. military (or diplomatic) action requires a comprehensive appreciation of the local balance of U.S. and other countries' interests and risks.

(U) Defense planning for sub-theater military contingencies has tended to be weighted in favor of the perceived threat, at the expense of a rigorous evaluation of localized U.S. stakes. . An analytically derived statement of the magnitude of tangible U.S. interests, or stakes, at the sub-theater level, juxtaposed against a carefully-defined measure of the local threat environment would serve several purposes:

(U) First, by evaluating and rank-ordering countries across a consistent "model" of the U.S. interest abroad, the groundwork will have been laid to begin prioritizing geographic areas of potential defense planning concern.

(U) Second, by machine-storing the data used for "measuring" countries across the full spectrum of U.S. interests, planners will have quick and easy access to a wealth of empirical information on U.S. "assets" abroad that might demand diplomatic or military protection.

(U) Third, if desired, the defense analyst may incorporate his particular expertise and judgment by weighting the raw data and attaching different degrees of importance to specific aspects of the U.S. interest. Thus, for instance he may conclude that, within the overall hierarchy of U.S. interests abroad, the military component is qualitatively more important than its commercial counterpart, and that therefore, a U.S. soldier abroad "counts more" than a U.S. businessman. In short, numerous planning assumptions may be tested (or generated) given the availability of comprehensive data.

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(U) Fourth, by providing the pertinent data in time-series form, the analyst may begin to look for, and analyze possible functional and geographic relationships between different manifestations of the U.S. stake that are not easily detected on an isolated case basis. Also, a history of U.S. stakes abroad across a suitable time-frame may, in turn, provide evidence of gross-level trends in the geographic direction of U.S. stakes.

(U) For the reasons referenced above, this research project was undertaken by the Center for Advanced Studies and Analyses of the Westinghouse Electric Corporation in the Fall of 1973. The principal purpose of the study was to develop the methodological means, and to acquire the necessary data to construct a rank-ordering of foreign countries on the basis of a systematic and explicitly-derived definition of the manifest U.S.-interest abroad. A corollary objective was to begin conceptual definition of the various dimensions of risk that may impact on U.S. stakes. To accomplish this, over one-hundred local interstate conflict situations were identified, and investigated for relative levels of conflict behavior.

## 2.0 CONCEPT DEFINITION

(U) The term "U.S. interest abroad" was purposely limited to its empirical manifestations, i.e., as evidenced by the overseas activities of the country's private citizens and public agencies. Thus, no attempt was made to take explicit account of such intangibles as moral commitments, ideological biases, or regional balance of power considerations, except as they might be implicit in a specific, tangible stake that the U.S. has in another country. Instead, a major premise underlying the study was that the de facto U.S. private and public presence abroad constituted a valid, albeit limited, segment of the total spectrum of U.S. interests overseas. As an example, it was postulated that the personnel strength of U.S. diplomatic representation abroad was a valid indicator, not only of the number of U.S. nationals that might require protection, but also of the political importance that the U.S. attaches to a particular country.

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### 3.0 DATA COLLECTION AND ORGANIZATION

(U) More than forty indicators of the various aspects of the U.S.-overseas stake were identified, pertinent data collected, and subjected to analysis. (pp 1-8 through 1-26)\* The collection process itself was guided by four hypothetical categories of data: commerce, politics, defense, and socio-culture. One of the objectives of the study was to investigate the empirical validity of this hypothetical four-dimensional profile of the U.S. stake.

(U) The U.S. commercial stake abroad was operationalized in terms of publicly recorded data on the annual dollar values of U.S. imports and exports, overseas direct private investments, the number of U.S. branch banks abroad, the number of U.S. residents abroad, and others (pp. 1-12/1-15).

(U) The military component of the U.S. stake was quantified using U.S. overseas force levels, military treaties in force, military service-owned and leased real property, and the various military assistance and sales programs (pp. 1-15/1-18).

(U) The political constituent of the U.S. stake abroad was identified in terms of the personnel strength of U.S. diplomatic missions, USIA activities and personnel, dollar values of non-military assistance, the frequency of U.S. bilateral diplomatic consultations, and a number of additional indicator data.

(U) Finally, data on U.S. immigration patterns, and international tourist flows were introduced to operationalize the concept of the U.S. socio-cultural interests abroad (pp. 1-19/1-21).

(U) The absolute level of the U.S. presence in a foreign country is only a partial measure of the extent of American involvements. To it must be added the notion of relative visibility or ubiquity. It is clear, for instance, that the presence of 20,000 U.S. armed forces in a host country of 200,000 is likely to have greater impact than a similar deployment in a country of 20 million people. This criterion of proportion is also relevant to an assessment of the impact of U.S. military or economic assistance. For example, economic assistance disbursements as an indicator of the political importance the U.S. attaches to a recipient

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\* A full listing of the data values is contained in the companion Source Documentary Appendix.

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should be appreciated both in terms of the total program value as well as the dollars per capita of the recipient's population. It was therefore decided to include per capita derivatives of all the variables collected as part of the overall analysis and final country rankings. (pp. 1-21/1-25) Table 1 displays all the variables selected to operationalize U.S. stakes, both absolute as well as relative.

#### 4.0 ANALYSIS

(U) R-Factor analysis and orthogonal rotation were employed iteratively in order to:

- Establish the inter-correlative relationships among the forty variables selected.
- Empirically define the dimensional structure of the U.S. stake abroad (i.e., to answer the question to what extent which variables load together to form discrete, independent components of manifest U.S. involvement overseas).
- "Factor-score" each country in the sample on the individual dimensions so that a rank-ordering of countries-of-U.S.-interest could be obtained.

(U) The third iteration of the factor analytic procedure resulted in the definition of a six-dimensional "model" of the U.S. interest for the year 1972 (pp. 1-51/1-60). The model included thirty-two variables (a number of variables had been eliminated upon analysis of the two first two iterations) for a sample of 93 country-cases. The six dimensions and associated variable loadings accounted for 81 percent of the total variation throughout the data. Table 2 depicts the final, orthogonal six-dimensional U.S. interest profile, and the descriptive labels attached to each dimension. They are, in descending order of importance, i.e., in terms of the percent of variance explained:

- International Commerce (27.65% of variation)
- Foreign Assistance (16.50% of variation)
- Political-Military Activity (15.81% of variation)

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TABLE 1:

(U) VARIABLES SELECTED TO OPERATIONALIZE U.S. STAKES ABROAD (U)

- U.S. - Sponsored Cultural and Educational Exchanges (CULT PEO, CULT MON)  
operationalized as 1) the annual number of State Department-funded and sponsored cultural and educational exchanges of U.S. and foreign nationals, and 2) the annual dollar value of State Department-funded bilateral cultural and educational exchange programs.
- U.S. - U.N. Voting Cohesion (UN VOTNG)  
operationalized as the percentage frequency of member-nation voting cohesion with the U.S. in the General Assembly and specialized committees.
- U.S. Peace Corps Representation Abroad (PEACE CO)  
operationalized as the total manpower strength of Peace Corps representation abroad.
- Frequency of Diplomatic Consultations (DIP EXCH)  
operationalized as the reported frequency of official bilateral visits and consultations between U.S. and foreign heads of state and foreign ministers.
- U.S. Non-Military Assistance (AID)  
operationalized as the annual dollar value of the A.I.D. and predecessor agencies' non-military assistance programs.
- Cumulative U.S. Non-Military Assistance (CUM AID)  
operationalized as the 1949-present cumulative dollar value of the A.I.D. and predecessor agencies' non-military assistance programs.

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TABLE 1  
(Continued)

- U.S. Import Pattern (US IMPT)  
operationalized as the total annual dollar values of U.S. imports from abroad.
- U.S. Export Pattern (US EXPT)  
operationalized as the total annual dollar values of U.S. exports abroad.
- U.S. Direct Private Investment (INVESTMT)  
operationalized as the total dollar book value of U.S. privately owned or controlled direct investments abroad.
- U.S. Banking Abroad (BANKS AB)  
operationalized as the total number of U.S. national branch banks overseas.
- U.S. Other Agency Representation Abroad (OTH AGCY)  
operationalized as the total number of U.S. and foreign nationals employed by the departments of Health, Education and Welfare, of Justice, Agriculture, and of the National Aeronautics and Space Administration (N.A.S.A.) overseas.
- U.S. Residents Abroad (US RESID)  
operationalized as the total number of U.S. nationals residing overseas.
- U.S. Military Presence (TOTL MIL)  
operationalized as the total number of uniformed U.S. military personnel abroad.
- U.S. Military Property (DOD PROP)  
operationalized as the total dollar value of U.S. service-owned and leased real property, active and inactive, industrial and non-industrial.

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TABLE 1  
(Continued)

- U.S. Security Assistance (DEF ASST)  
operationalized as the annual delivered dollar value of military assistance under the Military Assistance and Excess Stocks programs plus the annual programmed value of equipment and service so transferred under the Defense Assistance Services and Other Programs and Loans.
- Cumulative U.S. Security Assistance (CUM DEF)  
operationalized as the 1950 - present cumulative delivered dollar value of military assistance under the Military Assistance and Excess Stocks programs, plus the 1950-present cumulative programmed dollar value of equipment and services transferred under the Defense Assistance Services and Other Programs and Loans.
- U.S. Military Sales (MIL SALE)  
operationalized as the annual delivered dollar value of military equipment transferred under the Military Sales Program and Commercial Sales Program.
- Cumulative U.S. Military Sales (CUM SALE)  
operationalized as the 1950-present cumulative delivered dollar value of equipment transferred under the Military and Commercial Sales Programs.
- U.S. Worldwide Bilateral and Multilateral Formal Military Treaty Relationship (MIL TRET)  
operationalized as the aggregate number of Senate-ratified and Executive formal foreign defense-related agreements secured since June 1, 1945, and in force on December 31, 1972.
- U.S. Immigration Pattern (IMMIGRAT)  
operationalized as the total number of immigrants arriving in the U.S. between 1900-1972.

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TABLE 1  
(Continued)

- c U.S. Visitors Abroad (CIT ARIV)  
operationalized as the annual number of U.S. nationals returning from abroad.
- e Foreign Visitors to the U.S. (ALIENS A)  
operationalized as the annual number of non-residents arriving in the U.S.
- U.S. Non-Military Assistance per Capita (AID/POP)  
operationalized as the annual dollar value of the A.I.D. and predecessor agencies' non-military assistance programs, divided by the recipients' total population.
- Cumulative U.S. Non-Military Assistance per Capita (C-AID/P)  
operationalized as the 1949-present cumulative dollar value of the A.I.D., and predecessor agencies' non-military assistance programs, divided by the recipients' total population.
- U.S.-Sponsored Cultural and Educational Exchanges per Capita (CULT/POP)  
operationalized as the annual number of State Department-funded and sponsored cultural and educational exchanges of U.S. and foreign nationals, divided by the target nation's total population.
- U.S. Share of Exports (PER EXPT)  
operationalized as the percentage value of a country's exports to the U.S.
- U.S. Share of Imports (PER IMPT)  
operationalized as the percentage value of a country's imports from the U.S.
- U.S. Residential Visibility Abroad (PROP RES)  
operationalized as the total number of U.S. nationals residing overseas, divided by the total population of the country of residence.

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TABLE 1  
(Continued)

- U.S. Direct Private Investment per Capita (INVS/POP)  
operationalized as the total dollar book value of U.S. privately owned or controlled direct investment abroad, divided by the host country's total population.
- U.S. Banks per Capita (PROP BNK)  
operationalized as the total number of U.S. national branch banks, divided by the host country's total population.
- Foreign Reliance on U.S. Arms Transfer (ASS/DEF)  
operationalized as the aggregate total dollar value of U.S. military assistance and arms sales divided by the recipient's defense budget.
- U.S. Visitors Abroad per Capita (PROP CIT)  
operationalized as the annual number of U.S. nationals returning from abroad, divided by the total population of the host country.
- Foreign Visitors to the U.S. per Capita (PROP ALN)  
operationalized as the annual number of non-residents arriving in the U.S., divided by the total population of the country of origin.
- U.S. Arms Sales per Capita (ARMS/POP)  
operationalized as the annual delivered dollar value of military equipment transferred under the military sales program and commercial sales program, divided by the recipient's total population.
- Cumulative U.S. Arms Sales per Capita (C-ARMS/P)  
operationalized as the 1950-present cumulative delivered dollar value of military equipment transferred under the Military Sales Program and Commercial Sales Program, divided by the recipient's total population.

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TABLE 1  
(Continued)

- U.S. Security Assistance per Capita (SECU/POP)  
operationalized as the annual delivered dollar value of military assistance transferred under the Military Assistance and Excess Stocks programs, plus the annual programmed value of assistance under the Defense Assistance Services and Other Programs and Loans, divided by the recipient's total population.
- Cumulative Security Assistance per Capita (C-SECU/P)  
operationalized as the 1950-present cumulative delivered and programmed dollar value of U.S.-military assistance transferred under the programs listed above, divided by the recipient's total population.
- U.S. Military Presence per Capita (PROP/MIL)  
operationalized as the total number of uniformed U.S. military personnel abroad, divided by the host country's total population.
- U.S. Military Property per Capita (PROP/POP)  
operationalized as the total dollar value of U.S. service-owned and leased real property, active and inactive, industrial and non-industrial, divided by the host country's total population.

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TABLE 2:  
U.S. INTEREST PROFILE, 1972\* (U)

	1	2	3	4	5	6	
	International Commerce	Foreign Assistance	Political-Military Activity	Political-Military Visibility	Visibility of U.S. Residents and Military Hardware	Trade Penetration	Communalities
ASS/DEF	0.00470	(0.56660)	(0.05755)	0.07468	-0.02269	-0.06848	0.51229
AIC/POD	-0.00163	(0.55577)	-0.00487	-0.03603	(0.52019)	0.12222	0.55326
AIC	-0.05534	(0.05090)	0.02547	-0.01585	0.08317	0.14135	0.82499
AIC STAG	-0.05503	(0.52057)	0.13197	0.00135	-0.09382	0.12066	0.50605
ALTENS A	(0.97883)	-0.00111	-0.07240	-0.03196	0.02413	0.06324	0.56056
ALL TRET	(0.52687)	-0.04411	(0.50000)	-0.01490	0.10126	0.10371	0.56109
ALH /PDP	(0.56053)	-0.00211	-0.13724	0.07121	0.05602	0.09105	0.55880
ACNS/PCP	-0.00810	-0.02181	0.08227	0.00510	(0.52887)	-0.03551	0.57190
CIT /FDP	(0.53700)	-0.00211	-0.14219	0.22507	0.04565	0.06574	0.55436
CIT 201V	(0.56780)	0.00549	-0.11116	-0.02850	0.02916	0.05557	0.55377

\*Variables with 25 percent or more of their variation involved in a pattern (loading of an absolute value of .50, squared and multiplied by 100) are shown in parentheses.



TABLE 2  
(Continued)

	1	2	3	4	5	6	Communalities
CULT ADJ	-0.03317	-0.04210	(0.75106)	-0.05079	-0.11512	0.18262	0.47792
CULT PCO	0.06009	-0.10553	(0.50741)	0.02306	0.05228	-0.13776	0.45009
CULT PCP	-0.03175	-0.08200	-0.04678	(0.56553)	0.05330	-0.06205	0.76576
DEF ASST	0.00066	(0.56554)	0.08596	0.03609	-0.04147	-0.04262	0.55252
EDC PCO	(0.52427)	0.20079	0.44442	0.17320	-0.12927	0.08852	0.61732
INVESTAT	(0.55417)	-0.08558	0.35793	-0.04394	0.05532	-0.17862	0.55030
INVESTPT	(0.54785)	-0.04540	0.16451	-0.04496	0.04577	-0.00606	0.52259
WIL /PCP	0.02220	0.22100	0.12230	(0.44305)	-0.00097	-0.03943	0.55600
WIL SALE	0.14125	-0.07889	(0.66539)	0.02559	0.47490	-0.26250	0.76423
WIL TRPT	(0.55932)	-0.01029	(0.52061)	0.04931	0.01442	0.10075	0.60675
PEACE CO	-0.15051	-0.04270	0.12351	-0.05572	-0.15570	(0.50600)	0.34090
PER EXPT	0.20010	-0.02822	0.04249	0.09091	0.02272	(0.92044)	0.78010
PER TRPT	0.25262	0.25231	-0.03072	-0.11518	0.17665	(0.77027)	0.76622
SEC/FPCP	(0.04155)	-0.01275	-0.05032	(0.96715)	-0.02042	0.02717	0.94095
SES /PCP	(0.51474)	-0.03427	-0.06516	0.05945	(0.76530)	0.09020	0.86993
SEC/FPCP	-0.00533	(0.97341)	0.05156	0.02723	-0.01610	-0.05427	0.55530
STATE CE	0.14325	0.24534	(0.85976)	-0.04715	0.00455	0.11247	0.52693
TOTL WIL	0.06577	0.35079	(0.65757)	0.00738	0.10347	-0.23546	0.66083
US EXPT	(0.54262)	-0.02815	0.23677	-0.04318	0.02239	0.04368	0.55029
US TRPT	(0.09214)	-0.04745	0.27776	-0.02598	-0.00370	0.02516	0.87754
US RESID	(0.51466)	-0.03435	0.21294	-0.04555	0.19792	0.06381	0.52883
USIA STR	-0.01710	0.16558	(0.75494)	-0.02212	-0.05502	0.22055	0.71799
FINAL EIGENVALUES	8.94441	5.26409	5.06222	2.72206	2.15705	1.54630	

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- Political-Military Visibility (8.50% of variation)
- Visibility of U.S. Residents and Military Hardware (6.75% of variation)
- Trade Penetration (6.09% of variation)

(U) The procedure was repeated for the years 1968 through 1971 so that model consistency could be tested, and, if upheld, same preliminary conclusions drawn regarding possible trends in the dimensional structure of U.S. interests (pp. 1-60/1-66). Model consistency was surprisingly high, thereby suggesting the overall continuity, or stability, of U.S. international involvement behavior. Exceptions did occur, however. The years 1968 and 1969 revealed a five-, rather than six-dimensional model. Closer inspection revealed that this change was caused principally by the growing importance of U.S. commercial arms sales, which, by 1970, resulted in a sixth, and independent facet of U.S. international involvement. A second shift in the model structure occurred in 1971, when the AID variable which hitherto had loaded on the U.S. Trade Penetration dimension, fell out, and reappeared on the Foreign Assistance component. The explanation for this phenomenon is found in the decline of the U.S. economic assistance program in Latin America, the region whose trade patterns are most heavily dominated by the U.S. Despite these exceptions, the comparative five-year analysis confirmed the adequacy of the 1972 factor results as a representative description of the dimensional make-up of the U.S. stake abroad.

## 5.0 COUNTRY RANK-ORDERING

(U) The final step in the analysis was to "factor score" each country according to its relative "value" on each of the six dimensions of the U.S. stake. In other words, 93 countries were "measured" in terms of their relative exposure to U.S. commercial activities, political-military involvement, foreign assistance, etc. The resultant values for 1972 are displayed in Table 3. Similar calculations for the years 1968-1971 are contained in the Source Documentary Appendix. It should be recalled that a value of 0.00 is the statistical "average."

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TABLE 3

(U) 1972 FACTOR SCORES FOR 93 COUNTRIES ON  
SIX DIMENSIONS OF THE U.S. STAKE\*(U)

	International Commerce	Foreign Assistance	Political- Military Activity	Political- Military Visibility	Visibility of U.S. Residents & Military Hardware	Trade Penetration
Canada	8.04	-0.23	0.22	-0.13	1.85	2.19
United Kingdom	1.26	-0.23	1.30	-0.10	0.03	-0.34
West Germany	1.04	-0.23	5.12	0.63	0.44	-0.48
Japan	0.98	-0.23	1.97	-0.14	-0.17	0.43
Italy	0.79	-0.23	1.48	-0.11	0.03	-0.45
Mexico	0.65	-0.21	0.78	-0.21	0.04	2.42
France	0.33	-0.23	1.31	-0.14	-0.17	-0.59
Philippines	0.21	0.10	1.28	-0.08	-0.17	0.81
Australia	0.19	-0.23	0.35	-0.06	0.40	-0.17
Iceland	0.18	-0.16	-0.49	8.73	0.11	0.00
Netherlands	0.17	-0.23	-0.12	-0.14	-0.10	-0.52
Belgium	0.12	-0.23	-0.08	-0.09	0.10	-0.54
Spain	0.12	-0.13	0.41	-0.08	-1.04	-0.15
Brazil	0.10	0.00	1.26	-0.20	-0.21	0.56
Venezuela	0.06	-0.21	-0.04	-0.12	0.00	1.46
Greece	0.05	-0.03	1.03	-0.01	0.53	-0.40
Israel	0.02	0.39	0.33	-0.01	6.44	0.25
Switzerland	0.01	-0.23	-0.53	-0.23	0.35	-0.48
Iran	0.00	-0.20	0.74	-0.20	0.30	-0.21
South Korea	-0.01	0.53	0.46	0.09	-0.23	0.90
Norway	-0.01	-0.23	-0.13	0.06	0.36	-1.57
Panama	-0.02	0.40	-0.40	-0.23	0.27	0.94

\*Rounded off at two decimals

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2  
(2) TABLE 3 (Cont'd.)  
1972 FACTOR SCORES FOR 93 COUNTRIES ON  
SIX DIMENSIONS OF THE U.S. STAKE\*(U)

	International Commerce	Foreign Assistance	Political- Military Activity	Political- Military Visibility	Visibility of U.S. Residents & Military Hardware	Trade Penetration
Austria	-0.02	-0.23	0.18	0.09	-0.06	-0.73
Denmark	-0.03	-0.23	-0.21	-0.08	0.02	-0.52
Ireland	-0.04	-0.23	-0.51	0.03	0.32	-0.50
Turkey	-0.04	0.40	0.45	-0.13	-0.24	-0.19
Dominican Republic	-0.05	-0.08	-0.25	-0.14	0.03	2.02
Colombia	-0.07	0.29	0.20	-0.16	-0.16	1.03
Portugal	-0.07	-0.21	-0.32	-0.13	-0.16	-0.36
Sweden	-0.09	-0.23	-0.28	-0.16	-0.13	-0.57
Argentina	-0.10	-0.19	0.33	-0.17	-0.18	0.07
Taiwan	-0.10	-0.21	0.13	-0.06	-0.22	0.75
Hong Kong	-0.11	-0.23	-0.42	-0.18	-0.04	0.33
Peru	-0.11	0.02	0.13	-0.13	-0.13	0.65
Saudi Arabia	-0.14	-0.23	-0.46	-0.21	-0.01	-0.11
South Africa	-0.14	-0.23	-0.14	-0.19	-0.20	-0.26
Guatemala	-0.15	0.01	-0.33	-0.16	0.09	1.05
New Zealand	-0.16	-0.23	-0.32	0.10	0.16	-0.27
Indonesia	-0.17	0.30	0.16	-0.23	-0.26	0.05
Honduras	-0.17	-0.13	-0.40	-0.11	0.05	1.78
India	-0.17	0.01	2.42	-0.23	-0.26	0.22
Costa Rica	-0.18	-0.17	-0.43	-0.07	0.32	0.88
South Vietnam	-0.18	8.50	1.09	0.76	-0.19	0.39
Chile	-0.18	-0.19	0.18	-0.07	-0.10	0.07
Liberia	-0.18	0.09	0.03	0.10	0.13	-0.41

\*Rounded off at two decimals

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2  
(2) TABLE 3 (Cont'd.)  
1972 FACTOR SCORES FOR 93 COUNTRIES ON  
SIX DIMENSIONS OF THE U.S. STAKE\*(U)

	International Commerce	Foreign Assistance	Political- Military Activity	Political- Military Visibility	Visibility of U.S. Residents & Military Hardware	Trade Penetration
Pakistan	-0.19	0.17	0.33	-0.23	-0.25	-0.13
Thailand	-0.19	0.37	0.74	0.06	-0.22	-0.24
Haiti	-0.19	-0.20	-0.49	-0.21	-0.15	2.21
Singapore	-0.19	-0.21	-0.49	-0.08	0.54	-0.15
Ecuador	-0.19	-0.11	-0.07	-0.07	-0.14	1.14
Nicaragua	-0.19	-0.14	-0.41	-0.09	-0.03	1.19
Libya	-0.19	-0.22	-0.67	-0.21	0.25	-0.54
Nigeria	-0.20	0.08	0.05	-0.21	-0.25	-0.34
Lebanon	-0.20	-0.23	-0.12	-0.08	0.03	-0.28
Yugoslavia	-0.21	-0.23	0.60	-0.13	-0.23	-0.59
Paraguay	-0.22	-0.11	-0.40	-0.12	-0.21	0.00
El Salvador	-0.22	-0.14	-0.41	-0.15	-0.19	0.64
Malaysia	-0.22	-0.22	-0.23	-0.17	-0.13	-0.31
Uruguay	-0.23	-0.12	-0.22	0.17	-0.16	-0.35
Bolivia	-0.23	0.37	-0.24	-0.12	-0.24	0.45
Finland	-0.23	-0.23	-0.06	0.01	-0.23	-0.71
Ethiopia	-0.23	0.02	-0.25	-0.20	-0.25	0.26
Cambodia	-0.24	0.50	-0.39	-0.15	-0.26	0.50
Zaire	-0.25	-0.19	-0.24	-0.21	-0.21	-0.55
Ghana	-0.25	-0.16	-0.22	-0.17	-0.24	0.16
Kuwait	-0.25	-0.23	-0.69	-0.23	-0.05	-0.42
Bangladesh	-0.25	0.76	-0.50	-0.23	-0.26	1.80
Iraq	-0.25	-0.23	-0.66	-0.23	-0.26	-0.78

\*Rounded off at two decimals

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(C) TABLE 3 (Cont'd.)  
1972 FACTOR SCORES FOR 93 COUNTRIES ON  
SIX DIMENSIONS OF THE U.S. STAKE\*(U)

	International Commerce	Foreign Assistance	Political- Military Activity	Political- Military Visibility	Visibility of U.S. Residents & Military Hardware	Trade Penetration
Zambia	-0.25	-0.23	-0.31	-0.15	-0.22	-0.73
Kenya	-0.25	-0.16	-0.37	-0.20	-0.21	-0.62
Algeria	-0.26	-0.23	-0.63	-0.22	-0.25	-0.50
Mali	-0.26	-0.23	-0.58	-0.18	-0.26	-0.75
Morocco	-0.26	-0.18	-0.05	-0.17	-0.24	-0.66
Ivory Coast	-0.26	-0.22	-0.47	-0.14	-0.24	-0.39
Sri Lanka	-0.26	-0.23	-0.26	-0.20	-0.26	-0.24
Senegal	-0.26	-0.22	-0.57	-0.17	-0.25	-0.68
Tunisia	-0.26	-0.01	-0.31	-0.10	-0.25	-0.52
Afghanistan	-0.26	0.12	-0.32	-0.21	-0.26	-0.35
Tanzania	-0.27	-0.19	-0.51	-0.21	-0.24	-0.62
Guinea	-0.27	-0.23	-0.66	-0.23	-0.26	-0.35
Dahomey	-0.27	-0.23	-0.60	-0.11	-0.26	-0.56
Jordan	-0.27	0.80	-0.50	-0.17	0.01	-0.32
Niger	-0.27	-0.21	-0.65	-0.21	-0.25	-0.75
Uganda	-0.27	-0.16	-0.50	-0.18	-0.24	-0.37
Cameroon	-0.27	-0.22	-0.51	-0.17	-0.24	-0.24
Cyprus	-0.27	-0.23	-0.17	1.83	-0.09	-0.73
Sierra Leone	-0.27	-0.23	-0.51	-0.06	-0.24	-0.29
Sudan	-0.27	-0.23	-0.61	-0.22	-0.26	-0.47
Syria	-0.27	-0.23	-0.70	-0.23	-0.24	-0.75
Burma	-0.27	-0.22	-0.54	-0.23	-0.26	-0.58
Somali Republic	-0.27	-0.23	-0.66	-0.23	-0.25	-0.71
Congo	-0.27	-0.23	-0.73	-0.23	-0.26	-0.64
Yemen	-0.27	-0.23	-0.79	-0.23	-0.26	-0.57

\*Rounded off at two decimals

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(U) A number of results in Table 3 are as expected. The Canadian outlying statistic of 8.04 on the International Commerce dimension confirms that country's position as a virtual extension of the U.S. proper. Less self-evident, however, is, for instance, Iceland's score of 8.73 on the U.S. Political-Military Visibility factor. Comparison of the Icelandic values for U.S. troop deployments (3,191) and service-owned and leased property (\$207.18 million) against the country's small population and zero defense budget, helps to explain the high per capita values for the first two variables, and resultant U.S. ubiquity scores. Findings such as these are important if U.S. policy planners are to be concerned with the political dangers of a "saturating" U.S. presence abroad. Conversely, an appreciation of the relative U.S. profile in a country, should provide one measure of the impact of the U.S. from the perspective of the host country.

(U) Dimensional country factor scores were re-calculated to produce five years of composite scores across all six independent dimensions of stake (five in 1968, 1969). The technical procedure for this computation is detailed in the Final Technical Report. (pp. 1-72, 73) The resultant values for ninety-three countries provide, first, an empirically-derived indicator of the aggregate hierarchy of the international system in terms of tangible U.S. assets abroad, and, second, a tool for extrapolating possible trends in the pattern of U.S. worldwide involvement. Table 4 displays the rankings of the top thirty-five countries during the years 1968-1972. Projected rankings through 1977 have been included in an initial attempt to provide an empirically-derived data framework for evaluating the near-term U.S. role in the international system. The 1973-1977 projections were obtained using a second-order polynomial regression equation ( $y = a + bx + cx^2$ ) across the five years of historical data. Obviously the results should be approached with great caution. An expanded data base would provide more confidence in the reliability of the results.

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6.0 CROSS-NATIONAL THREAT ASSESSMENT

(U) The corollary objective of the project was to begin development of a systematic framework for evaluating the hostile environment of U.S. stakes abroad. An explicit appreciation of the local threat environment would provide the second part of the equation that defines the priority list of U.S. defense concerns. The study took an initial step toward this goal by isolating, describing, and assessing local interstate conflict situations. One hundred and twenty-six inter-nation conflict-issues were identified as having been "active" since 1961 in terms of the use or threat of military force. Issues included territorial claims, ideological disputes, regional rivalries, etc., and were described in terms of the primary parties involved, the subject of contention, and the types of conflict behavior observed since 1961 (pp. 2-7/2-14)

(U) A continuum consisting of twenty-three types of conflict-interaction, ranging from verbal hostility to war, was used to classify thirteen years of conflict behavior. Each conflict-interaction type was assigned a numerical scale value; thus for instance, verbal accusations, criticisms, or denunciations had a conflict intensity value of "1.0," while "war," - the final step on the continuum, had a value of "500.0." (p. 2-21)

(U) Using this accounting method, an annual "real-time" conflict-intensity value was computed for each conflict issue, across each of the thirteen years of interest. Next, a system of weighted-moving-averages was employed to introduce the concept of "conflict-obsolescence," so that a series of final 1973 threat level indices could be constructed. The rationale for this procedure was that the level of threat perceived extant between two parties is the product of the combined effect of current ("real-time") hostility, plus past adversary behavior. Correlation analysis of the derived threat level values for each party involved against a statistical measure of relative national defense expenditures confirmed the validity of the results. (pp. 2-37/2-39)

(U) Definition of almost one-hundred countries in terms of the proportional value of U.S. assets, and their relative degree of exposure to interstate conflict behavior, provides the principal input toward a systematic evaluation of

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more or less urgent areas for U.S. defense planning at the local level. Clearly, however, local international friction is by no means the sole measure of risk associated with U.S. stakes. Internal instability, the threat of nationalization of U.S. property, as well as regional competition at the superpower level may aggravate the risk environment. Work is currently underway to further examine these problems, and is aimed at producing a comprehensive statement of the various conditions of risk that apply to U.S. interests at the sub-theater level.

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TABLE 4

TOP 35 COUNTRIES RANKED 1968-1977 (U)

Rank Order	Actual Composite Scores										Projected Composite Scores										
	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	
1	Canada	Canada	Canada	Canada	Canada	Canada	Canada	Canada	Canada	W. Germany	Canada	Canada	Canada	Canada	Canada	Canada	Canada	Canada	Canada	Canada	W. Germany
2	So. Vietnam	So. Vietnam	So. Vietnam	So. Vietnam	So. Vietnam	So. Vietnam	So. Vietnam	So. Vietnam	So. Vietnam	W. Germany	So. Vietnam	So. Vietnam	So. Vietnam	So. Vietnam	So. Vietnam	So. Vietnam	So. Vietnam	So. Vietnam	So. Vietnam	So. Vietnam	Canada
3	W. Germany	United Kingdom	W. Germany	W. Germany	W. Germany	W. Germany	W. Germany	W. Germany	W. Germany	So. Vietnam	W. Germany	W. Germany	W. Germany	W. Germany	W. Germany	W. Germany	W. Germany	W. Germany	W. Germany	Japan	
4	United Kingdom	W. Germany	Iceland	Iceland	Iceland	Iceland	Iceland	Iceland	Iceland	Israel	Japan	Israel	Israel	Israel	Israel	Israel	Israel	Israel	Israel	Iceland	
5	Iceland	United Kingdom	United Kingdom	United Kingdom	United Kingdom	United Kingdom	United Kingdom	United Kingdom	United Kingdom	Israel	Japan	Israel	Israel	Israel	Israel	Israel	Israel	Israel	Israel	Italy	
6	So. Korea	India	Japan	India	United Kingdom	Israel	Israel	Israel	Israel	Japan	Israel	Israel	Israel	Israel	Israel	Israel	Israel	Israel	Israel	Italy	
7	India	Japan	Israel	India	United Kingdom	Israel	Israel	Israel	Israel	Japan	Israel	Israel	Israel	Israel	Israel	Israel	Israel	Israel	Israel	Mexico	
8	Japan	So. Korea	India	Japan	Mexico	Italy	United Kingdom	United Kingdom	United Kingdom	Israel	Japan	Israel	Israel	Israel	Israel	Israel	Israel	Israel	Israel	So. Vietnam	
9	Brazil	Philippines	Philippines	Mexico	Italy	United Kingdom	United Kingdom	United Kingdom	United Kingdom	Israel	Japan	Israel	Israel	Israel	Israel	Israel	Israel	Israel	Israel	Philippines	
10	Philippines	Panama	Brazil	Italy	United Kingdom	United Kingdom	United Kingdom	United Kingdom	United Kingdom	Israel	Japan	Israel	Israel	Israel	Israel	Israel	Israel	Israel	Israel	Cambodia	
11	Mexico	France	Mexico	Philippines	Philippines	India	United Kingdom	United Kingdom	United Kingdom	Israel	Japan	Israel	Israel	Israel	Israel	Israel	Israel	Israel	Israel	Cyprus	
12	France	France	So. Korea	So. Korea	Brazil	Greece	Greece	Greece	Greece	So. Korea	France	So. Korea	So. Korea	So. Korea	So. Korea	So. Korea	So. Korea	So. Korea	So. Korea	Brazil	
13	Italy	Italy	Italy	France	France	So. Korea	So. Korea	So. Korea	So. Korea	France	So. Korea	France	France	France	France	France	France	France	France	Greece	
14	Colombia	Italy	France	France	Greece	France	France	France	France	So. Korea	France	France	France	France	France	France	France	France	France	United Kingdom	
15	Dominican Rep.	Colombia	Panama	Greece	Thailand	Greece	Greece	Greece	Greece	So. Korea	France	France	France	France	France	France	France	France	France	Cyprus	
16	Panama	Dominican Rep.	Colombia	Colombia	Thailand	Thailand	Thailand	Thailand	Thailand	So. Korea	France	France	France	France	France	France	France	France	France	United Kingdom	
17	Venezuela	Venezuela	Iran	Venezuela	Colombia	Colombia	Colombia	Colombia	Colombia	So. Korea	France	France	France	France	France	France	France	France	France	Greece	
18	Turkey	Israel	Costa Rica	Thailand	Venezuela	Turkey	Turkey	Turkey	Turkey	So. Korea	France	France	France	France	France	France	France	France	France	United Kingdom	
19	Chile	Australia	Greece	Thailand	Australia	Iran	Iran	Iran	Iran	So. Korea	France	France	France	France	France	France	France	France	France	So. Korea	
20	Thailand	Thailand	Pakistan	Panama	Iran	Australia	Australia	Australia	Australia	So. Korea	France	France	France	France	France	France	France	France	France	Turkey	
21	Australia	Turkey	Thailand	Australia	Spain	Colombia	Colombia	Colombia	Colombia	So. Korea	France	France	France	France	France	France	France	France	France	Bolivia	
22	Liberia	Greece	Venezuela	Honduras	Venezuela	Dominican Rep.	Dominican Rep.	Dominican Rep.	Dominican Rep.	So. Korea	France	France	France	France	France	France	France	France	France	Spain	
23	Peru	Peru	Dominican Rep.	Turkey	Panama	Cyprus	Cyprus	Cyprus	Cyprus	So. Korea	France	France	France	France	France	France	France	France	France	So. Korea	
24	Greece	Iran	Turkey	Ecuador	Bangladesh	Venezuela	Venezuela	Venezuela	Venezuela	So. Korea	France	France	France	France	France	France	France	France	France	Turkey	
25	Pakistan	Pakistan	Australia	Liberia	Dominican Rep.	Peru	Peru	Peru	Peru	So. Korea	France	France	France	France	France	France	France	France	France	Argentina	
26	Costa Rica	Ecuador	Ecuador	Peru	Peru	Iran	Iran	Iran	Iran	So. Korea	France	France	France	France	France	France	France	France	France	So. Korea	
27	Israel	Costa Rica	Liberia	Nicaragua	Taiwan	Argentina	Argentina	Argentina	Argentina	So. Korea	France	France	France	France	France	France	France	France	France	Cyprus	
28	Iran	Spain	Guatemala	Guatemala	Pakistan	Honduras	Honduras	Honduras	Honduras	So. Korea	France	France	France	France	France	France	France	France	France	United Kingdom	
29	Ecuador	Chile	Norway	Spain	Argentina	Taiwan	Taiwan	Taiwan	Taiwan	So. Korea	France	France	France	France	France	France	France	France	France	Greece	
30	Nicaragua	Liberia	Peru	Costa Rica	Ecuador	Taiwan	Taiwan	Taiwan	Taiwan	So. Korea	France	France	France	France	France	France	France	France	France	Brazil	
31	Honduras	Belgium	Spain	Iran	Honduras	Jordan	Jordan	Jordan	Jordan	So. Korea	France	France	France	France	France	France	France	France	France	So. Korea	
32	Guatemala	Norway	Chile	Cambodia	Cyprus	Bolivia	Bolivia	Bolivia	Bolivia	So. Korea	France	France	France	France	France	France	France	France	France	Argentina	
33	Norway	Netherlands	Belgium	Belgium	Guatemala	Haiti	Haiti	Haiti	Haiti	So. Korea	France	France	France	France	France	France	France	France	France	Israel	
34	Bolivia	Honduras	Netherlands	Pakistan	Liberia	Chile	Chile	Chile	Chile	So. Korea	France	France	France	France	France	France	France	France	France	So. Korea	
35	Spain	Guatemala	Honduras	Taiwan	Bolivia	Guatemala	Guatemala	Guatemala	Guatemala	So. Korea	France	France	France	France	France	France	France	France	France	Israel	